

AGN. NO. \_\_\_\_\_

MOTION BY SUPERVISOR YVONNE B. BURKE

JUNE 21, 2005

The Board of Supervisors approved a design build lease for a new social services administration building in SPA6 at 8300-8400 Vermont Ave., Los Angeles, on May 17, 2005 (Lease). The developer, ICO Investments, purchased some of the assembled land parcels from the Los Angeles Community Redevelopment Agency (CRA) which is handling the bond financing for this transaction. Subsequent to the Board's action, the CRA Board of Commissioners approved the financing package on June 2, 2005. The CRA considers bond financing to be financial assistance under its Living Wage Policy. Under this policy the recipient of CRA assistance is required to provide a living wage salary to all applicable employees associated with the Project (i.e. janitorial, landscape and security personnel). As a condition of the financing the CRA Board of Commissioners waived the imposition of its Living Wage Policy on the developer. Rather, they imposed a condition on ICO to pay living wage per the County's ordinance (Title 2 Chapter 2.201) for all service personnel hired by ICO on the office portion of this lease occupied by County employees.

The Board delegated to the CAO the authority to sign the Lease "substantially in the form" as was attached to the Board letter of May 17, 2005. The CRA is requiring specific language to be placed into the Lease incorporating the County's Living Wage Ordinance.

MOTION

BURKE	_____
YAROSLAVSKY	_____
KNABE	_____
ANTONOVICH	_____
MOLINA	_____

**M-O-R-E**  
**MOTION BY SUPERVISOR YVONNE B. BURKE**  
**JUNE 21, 2005**  
**PAGE 2**

While this change will not impact the Lease payments to the County in the first year it is estimated that such a change might increase the County's full service rent by up to \$50,000 per year in the second year and subsequent years. These operating expenses would still be substantially subvented by State and Federal funding under A87 regulations provided that they are reasonable compared to market standards.

**I, THEREFORE, MOVE THAT THE BOARD OF SUPERVISORS:**

Delegate the additional authority to the CAO as approved by County Counsel to add language to the Lease to be consistent with the requirements to include developer compliance with County code Title 2 Chapter 2.201 as it relates to the office portion of this Lease occupied by County employees excluding the retail and child care areas for as long as the CRA issued bonds remain outstanding.